ARIZONA HOUSE OF REPRESENTATIVES Fifty-fourth Legislature - Second Regular Session

CAUCUS AGENDA #9

February 27, 2020

Bill Number Short Title Committee Date Action

Committee on Appropriations

Chairman: Regina E. Cobb, LD 5

Analyst: Tim Grubbs

Vice Chairman: John Kavanagh, LD 23

Intern: Jake Sonnenburg

HB 2885_(BSD) appropriation; transportation; infrastructure projects

SPONSOR: CAMPBELL, LD 1 HOUSE

APPROP 2/19/2020 DP (11-0-0-0)

Committee on Ways & Means

Chairman: Ben Toma, LD 22 Vice Chairman: Shawnna LM Bolick, LD 20

Analyst: Vince Perez Intern: Blake Gephart

HB 2445_(BSI) right to redeem; lien; sale SPONSOR: KERN, LD 20 HOUSE

WM 2/19/2020 DP (5-4-0-1)

(No: POWERS HANNLEY, EPSTEIN, CANO, SIERRA Abs: COBB)

Committee on Government

Chairman: John Kavanagh, LD 23 **Vice Chairman:** Kevin Payne, LD 21 **Analyst:** Stephanie Jensen **Intern:** Jeremy Bassham

HB 2773_(BSI) library; records; historic names; continuation SPONSOR: KAVANAGH, LD 23 HOUSE

GOV 2/20/2020 DP (8-2-0-1)

(No: PETERSEN, PIERCE Abs: BLACKMAN)

HB 2875_(BSD) regulation; short-term rentals

SPONSOR: KAVANAGH, LD 23 HOUSE

GOV 2/20/2020 DPA (7-3-1-0)

(No: PAYNE, PETERSEN, PIERCE Present: BLANC)

HCR 2020_(BSI) lieutenant governor; joint candidacy

SPONSOR: NUTT, LD 14 HOUSE

GOV 2/13/2020 DPA (7-3-0-1)

(No: ESPINOZA, BLANC, DEGRAZIA Abs: PIERCE)

Committee on Judiciary

Chairman:John M. Allen, LD 15Vice Chairman:Walter J. Blackman, LD 6Analyst:Lauren CookIntern:Samantha Fagerburg

HB 2039_(BSI) gaming; reimbursement; wagers; machines

SPONSOR: FILLMORE, LD 16 HOUSE

JUD 2/19/2020 DP (5-3-1-1)

(No: LAWRENCE, PAWLIK, RODRIGUEZ Abs: DEGRAZIA Present:

ENGEL)

HB 2479_(BSI) juvenile dependency; state aid; appropriation

SPONSOR: BIASIUCCI, LD 5 HOUSE

JUD 2/19/2020 DP (10-0-0-0) APPROP 2/24/2020 DP (10-1-0-0)

(No: KERN)

HB 2683_(BSI) anti-semitism; crime reporting; aggravating factor

SPONSOR: HERNANDEZ A, LD 3 HOUSE

JUD 2/12/2020 DP (10-0-0-0)

Committee on Health & Human Services

Chairman: Nancy K. Barto, LD 15 Vice Chairman: Jay Lawrence, LD 23

Analyst: Ingrid Garvey Intern: Megan Larsen

HB 2258_(BSI) appropriation; alcohol; tobacco; drug education

SPONSOR: THORPE, LD 6 HOUSE

HHS 2/13/2020 DP (9-0-0-0)

HB 2319_(BSI) technical correction; midwives

SPONSOR: BARTO, LD 15 HOUSE

HHS 2/20/2020 DPA/SE (9-0-0-0)

HB 2846_(BSI) public officials; entities; civil liability

SPONSOR: SHAH, LD 24 HOUSE

HHS 2/20/2020 DP (9-0-0-0)

HCR 2045_(BSI) medical marijuana; mental health; research

SPONSOR: BOWERS, LD 25 HOUSE

HHS 2/20/2020 DP (5-4-0-0) (No: POWERS HANNLEY, BUTLER, HERNANDEZ A, SHAH)

Committee on Commerce

Chairman: Jeff Weninger, LD 17 **Vice Chairman:** Travis W. Grantham, LD 12

Analyst: Paul Benny Intern: Michael Laird

HB 2522_(BSI) bingo; licenses; taxes.

SPONSOR: LIEBERMAN, LD 28 HOUSE

COM 2/18/2020 DPA/SE (9-0-0-0)

HB 2633_(BSD) long-term RV act; manager education

SPONSOR: BLACKMAN, LD 6 HOUSE

COM 2/4/2020 DP (8-1-0-0)

(No: KERN)

HB 2813_(BSI) sports betting; historic racing; revenue

SPONSOR: PIERCE, LD 1 HOUSE

COM 2/18/2020 DP (5-2-0-2)

(No: EPSTEIN, BUTLER Abs: CHÁVEZ, MEZA)

APPROP 2/24/2020 DPA ON RECON (6-5-0-0) (No: FERNANDEZ, FRIESE, UDALL, LIEBERMAN, KAVANAGH)

HB 2841_(BSI) municipal zoning; housing overlay

SPONSOR: KERN, LD 20 HOUSE

COM 2/18/2020 DPA (5-2-0-2)

(No: EPSTEIN, BUTLER Abs: CHÁVEZ, MEZA)

HB 2853_(BSD) furnishing tobacco; minors; enterprise penalties

SPONSOR: BOLICK, LD 20 HOUSE

COM 2/18/2020 DPA (4-2-0-3) (No: EPSTEIN, BUTLER Abs: CHÁVEZ, ROBERTS, MEZA)

Committee on Transportation

Chairman: Noel W. Campbell, LD 1 **Vice Chairman:** Leo Biasiucci, LD 5 **Analyst:** Jason Theodorou **Intern:** Valeria Garcia

HB 2207_(BSI) appropriation; route H60

SPONSOR: TELLER, LD 7 HOUSE

TRANS 2/5/2020 DPA (8-1-0-0)

(No: PAYNE)

APPROP 2/24/2020 DPA (9-1-0-1)

(No: FILLMORE Abs: KERN)

HB 2798_(BSI) appropriation; north-south corridor study

SPONSOR: COOK, LD 8 HOUSE

TRANS 2/19/2020 DP (8-0-0-1)

(Abs: TELLER)

HB 2833_(BSD) appropriation; repaving; State Route 95

SPONSOR: BIASIUCCI, LD 5 HOUSE

TRANS 2/19/2020 DP (7-0-0-2)

(Abs: COOK, PAYNE)

APPROP 2/24/2020 DP (8-3-0-0)

(No: FRIESE, KERN, FILLMORE)

HB 2834_(BSI) appropriation; State Route 95; repaving

SPONSOR: BIASIUCCI, LD 5 HOUSE

TRANS 2/19/2020 DP (7-0-0-2)

(Abs: COOK, PAYNE)

APPROP 2/24/2020 DP (7-4-0-0)

(No: FERNANDEZ, FRIESE, FILLMORE, LIEBERMAN)

HB 2899_(BSI) fuel; electric cars; hybrids; taxes

SPONSOR: CAMPBELL, LD 1 HOUSE

TRANS 2/19/2020 DPA (6-0-0-3)

(Abs: COOK, PAYNE, BIASIUCCI)

Committee on Land & Agriculture

Chairman: Timothy M. Dunn, LD 13 **Vice Chairman:** Travis W. Grantham, LD 12

Analyst: Paul Bergelin Intern: Mackenzie Nintzel

HB 2723_(BSI) county fair racing; council; appropriations

SPONSOR: DUNN, LD 13 HOUSE

LAG 2/13/2020 DP (5-0-0-2)

(Abs: CHÁVEZ, PETEN)

APPROP 2/24/2020 DPA (9-2-0-0)

(No: KERN, UDALL)

Committee on Regulatory Affairs

Chairman: Travis W. Grantham, LD 12 Vice Chairman: Bret Roberts, LD 11

Analyst: Jon Rudolph Intern: Loren Breen

HB 2836_(BSI) land surveyors; minimum standards

SPONSOR: RIVERO, LD 21 HOUSE

RA 2/17/2020 DP (7-0-0-0)

Committee on Education

Chairman: Michelle Udall, LD 25 **Vice Chairman:** John Fillmore, LD 16

Analyst: Chase Houser Intern: Trisha Romero

HCR 2001_(BSI) English language education; requirements

SPONSOR: FILLMORE, LD 16 HOUSE

ED 1/27/2020 DP (10-1-0-2)

(No: BARTO Abs: TOWNSEND, CARROLL)

Committee on State & International Affairs

Chairman: Tony Rivero, LD 21 Vice Chairman: Walter J. Blackman, LD 6

Analyst: Jon Rudolph Intern: Loren Breen

HB 2835_(BSD) international trade office; study committee

SPONSOR: RIVERO, LD 21 HOUSE

SIA 2/19/2020 DP (8-0-0-1)

(Abs: BLACKMAN)



Fifty-fourth Legislature Second Regular Session

House: APPROP DP 11-0-0-0

HB 2885: appropriation; transportation; infrastructure projects
Sponsor: Representative Campbell, LD 1
Caucus & COW

Overview

Appropriates \$95,000,000 from the Arizona Highway Patrol Fund (HPF) in FY 2021 to the Department of Transportation (ADOT) for transportation infrastructure projects. Contains an emergency measure.

History

The HPF is used to administer the highway patrol and the Arizona highway patrol reserve. The HPF consists of deposits from the highway safety fee, insurance premium tax revenues, towing and impound fees, service fees, rewards, awards and insurance recoveries (<u>FY 2021 JLBC Baseline</u>).

According to state law all state-owned transportation systems or modes are vested in ADOT and it has exclusive jurisdiction and control over state highways, routes and airports. ADOTs duties include:

- 1) Registering motor vehicles and aircraft, licensing drivers, collecting revenues, enforcing motor vehicle and aviation statutes and performing related functions;
- Performing multimodal state transportation planning, cooperating and coordinating transportation planning with local governments and establishing an annually updated priority program of capital improvements for all transportation modes;
- 3) Designing and constructing transportation facilities in accordance with a priority plan and maintain and operating state highways, state owned airports and state public transportation systems;
- 4) Investigating new transportation systems and cooperate with and advising local governments concerning the development and operation of public transit systems; and
- 5) Maintaining administrative jurisdiction of transportation safety programs and implementing them in accordance with applicable law (A.R.S. § 28-332).

- 1. Appropriates \$95,000,000 from the HPF in FY 2021 to ADOT for transportation infrastructure projects. This appropriation is exempt from lapsing. (Sec. 1)
- 2. Contains an emergency clause. (Sec. 2)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	⊠ Emergency (40 votes)	☐ Fiscal Note



Fifty-fourth Legislature Second Regular Session

House: WM DP 5-4-0-1

HB2445: right to redeem; lien; sale
Sponsor: Representative Kern, LD 20
Caucus & Cow

Overview

An emergency measure that implements a modified process to satisfy a property tax lien, including the auction and sale process and the disposition of the proceeds received from the sale.

<u>History</u>

Current law specifies that when a person is delinquent in paying property tax, the tax shall be collected by the county treasurer in the manner and method prescribed in <u>Title 42</u>, <u>chapter 18</u>, which includes the auction and sale of the property.

- 1. Provides that a lien may be fully redeemed after three years but before the entry of a judgment foreclosing the right to redeem. (Sec. 1)
- 2. Provides that a partially redeemed lien must be fully redeemed before the entry of a judgment foreclosing the right to redeem. (Sec. 1)
- 3. Requires the court judgment to direct the county treasurer to sell the property and timely deliver a deed conveying the property to the purchaser, after the purchaser pays. (Sec. 2, 3)
- 4. States that the foreclosure does not extinguish a property owner's or lienholder's interest on the surplus proceeds from the sale of the property. (Sec. 2)
- 5. Requires the county treasurer to follow current law when preparing the list of properties for sale at public auction, advertising the notice of sale and conducting the public auction. (Sec. 3)
- 6. Requires the deed conveying property to a purchaser to additionally include:
 - a. The judgment foreclosing the right to redeem;
 - b. The date of the public auction; and
 - c. The price the purchaser paid for the property. (Sec. 3)
- 7. Requires the proceeds from the sale to be distributed according to current law. (Sec. 3)
- 8. Amends the article heading of Title 42, Chapter 18, Article 7 to "Sale of Real Property by County Treasurer." (Sec. 4)
- 9. Requires the county treasurer to advertise the real property for sale at a public sale. (Sec. 5)
- 10. Requires a current list of real property for sale to be posted on the official website of the county treasurer. (Sec. 5)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note

- 11. Requires the notice of sale to be mailed to the mailing address of the predecessor owner according to the county recorder or to the following:
 - a. Predecessor owner according to the county assessor;
 - b. Address of the property; and
 - c. The tax bill mailing address according to the county treasurer. (Sec. 5)
- 12. Requires the auction to be held within six months after the judgment foreclosing the right to redeem and the county treasurer to sell to the highest cash bidder. (Sec. 6)
- 13. Requires the county treasurer to post the property and date of the auction with a real estate listing service provided by an organization of licensed real estate brokers or an equivalent service. (Sec. 6)
- 14. Allows the county treasurer to contract with a private party to operate and advertise the auction. (Sec. 6)
- 15. Allows for the private party to receive up to 3% of the property sale price if the property sells for more than the taxes, penalties, interest and costs charged against the property. (Sec. 6)
- 16. States that a judgment foreclosing the right to redeem allows the county treasurer the right to possess and access the property and to allow a private party to photograph or view the property. (Sec. 6)
- 17. Requires the county treasurer to set the minimum bid for the property at its limited cash value. (Sec. 6)
- 18. Requires a second auction within six months if there are no bids at the first auction.
- 19. Specifies that the county treasure must set the minimum bid at the second auction to be the amount of taxes, penalties, interest and costs charged against the property. (Sec. 6)
- 20. Requires the county treasurer, after receiving full payment for the property, to execute and deliver the deed, which is acknowledged by the chairman of the board of supervisors, conveying the title to the purchaser. (Sec. 6)
- 21. Requires the county treasurer, after deducting the taxes, penalties, interest and costs charged against the property, to post a public list of the remaining monies that any party had a legal interest. (Sec. 6)
- 22. Requires a continuous posting in the county treasurer's office and official website of the public list of the property, the surplus monies and the date of sale to a list of properties sold in the past five years. (Sec. 6)
- 23. Requires the county treasurer to notify the former property owner and any person with a recorded interest after full payment of the property is received. (Sec. 6)
- 24. Requires the notice to include:
 - a. That the property was sold;
 - b. The purchase price;
 - c. The total amount owed;
 - d. That a statement of interest to claim any surplus monies is due within six months;
 - e. That the county superior court will resolve any disputed claim;
 - f. That lienholders or other interested parties that filed a claim take priority over the former property owner's interest;

- g. That failure to file a timely claim may forfeit the right to stop the county treasurer from disbursing surplus monies to verified claimants that filed timely; and
- h. That failure to file a timely claim may entitle a third-party locator to charge a fee up to \$500. (Sec. 6)
- 25. Requires the county treasurer to publicly list the amount of remaining surplus monies, including the names of the former owner and other interested parties, if only a portion of the monies are claimed. (Sec. 6)
- 26. States that all surplus monies that are unclaimed after five years must become unclaimed property. (Sec. 6)
- 27. Allows a third party to seek out valid owners of surplus monies and charge a fee for being the first person to identify a valid owner's information to the county treasurer. (Sec. 6)
- 28. Requires the fee to be determined as follows:
 - a. \$500 if the claim is at least \$1,500;
 - b. 30% if the claim is less than \$1,500; or
 - c. An agreed upon contract amount that is signed and notarized with a witness. (Sec. 6)
- 29. Requires the third party to enter into a contract with the person who may be eligible to claim surplus monies and provides a format for the contract. (Sec. 6)
- 30. States that this act may be cited as the "Equity Theft Prevention Act". (Sec. 7)
- 31. Contains an emergency clause. (Sec. 8)
- 32. Contains technical and conforming changes. (Sec. 1, 2, 3, 5, 6)



Fifty-fourth Legislature Second Regular Session

House: GOV DP 8-2-0-1

HB 2773: library; records; historic names; continuation Sponsor: Representative Kavanagh, LD 23 Caucus & COW

Overview

Continues the Arizona State Library, Archives and Public Records (ASLAPR), the State Board on Geographic and Historical Names and the Board of Library Examiners for eight years.

History

The powers and duties given to ASLAPR in statute include:

- a) Obtaining and providing access to materials covering a variety of educational topics;
- b) Providing multiple programs and facilities for educational purposes and the keeping and management of archives programs;
- c) Keeping public records and determining their historical value; and
- d) Directing and coordinating statewide public library services (A.R.S. §§ 41-151.01, 41-151.07, 41-151.17).

The State Board on Geographic and Historical Names is described in statute to have been created to help preserve the historical record of the state. Duties that statute requires the Board to oversee include:

- a) Evaluating all proposals for new and changed names of geographic features or historical places and then designating the most appropriate and acceptable names;
- b) Cooperating and assisting with the United States Board of Geographic Names;
- c) Cooperate with state political subdivisions to eliminate the duplication of names of geographic features that are not of historical significance; and
- d) Designating one or more members to act as the state representative on the Western States Geographic Names Council (A.R.S.§ 41-835, 41-835.03).

The Board of Library Examiners includes the director of the ASLAPR who acts as the ex-officio chairman. The Board of Library Examiners must pass on the qualifications of people desiring to become county librarians and may adopt rules necessary to carry out that purpose (A.R.S § 11-906).

- 1. Continues, retroactive to July 1, 2020, the ASLAPR, the State Board on Geographic and Historical Names and the Board of Library Examiners until July 1, 2028. (Sec. 2, 6)
- 2. Repeals ASLAPR, the State Board on Geographic and Historical Names and the Board of Library Examiners on January 1, 2029. (Sec. 2)
- 3. Contains legislative intent clauses. (Sec. 3, 4, 5)

☐ Prop 105 (45 vo	tes)	otes)	otes) Fiscal Note



Fifty-fourth Legislature Second Regular Session

House: GOV DPA 7-3-1-0

HB 2875: regulation; short-term rentals
Sponsor: Representative Kavanagh, LD 23
Caucus & COW

Overview

Adds to how a city, town or county may regulate a vacation or short-term rental.

History

The terms *vacation* and *short-term rentals* are defined in statute as any collectively or individually owned single or one-to-four-family house or dwelling unit that is also a transient public lodging establishment. Vacation and short-term rentals do not include a unit that is used for any nonresidential use, including banquet space, retail, restaurant, event center or another similar use.

Current statute prohibits a city, town or county from restricting the use of or regulating vacation or short-term rentals based on their classification, use or occupancy. A city, town or county is allowed to regulate vacation and short-term rentals for the following reasons:

- 1) Protecting the public's health and safety;
- 2) Adopting and enforcing residential use and zoning ordinances;
- 3) Limiting or prohibiting the use of a vacation or short-term rental for the purposes of housing sex offenders; and
- 4) Requiring the owner to provide the city, town or county with contact information for the owner or their designee (A.R.S. § <u>9-500.39</u>, <u>11-269.17</u>).

- 1. Stipulates that the required contact information for vacation rentals or short-term rentals must be printed in bold 24-point font and posted on the front door. (Sec. 1, 2)
- 2. Specifies that if the property is surrounded by a fence or other barrier, the contact information must be posted in a publicly visible and accessible location. (Sec. 1, 2)
- 3. Authorizes a city, town or county to impose a civil penalty of \$50 per day that the vacation or short-term rental is in violation of the posting of contact information. (Sec. 1, 2)
- 4. Allows a city, town or county to restrict the maximum number of adult occupants on the vacation or short-term rental property at any one time to the following:
 - a. Not more than two adults per bedroom, up to four bedrooms; and
 - b. Two additional adults per 1,000 square feet of livable space in excess of 3,000 square feet of livable space of the residence. (Sec. 1,2)
- 5. Provides that a city, town or county may require the installation of safety and noise monitoring equipment on the vacation or short-term rental property. (Sec. 1, 2)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note

- 6. Stipulates that the safety and noise monitoring equipment must be installed inside and in the outside yard or unenclosed balcony of all vacation and short-term rental properties. (Sec. 1,2)
- 7. Requires the equipment to have the capability of notifying the owner or their designee if the noise is in violation of the municipal or county noise ordinance or is unreasonable. (Sec. 1, 2)
- 8. States that the equipment is not required in an owner-occupied residential home or if the owner or their designee is on the property. (Sec. 1, 2)
- 9. Directs the owner or their designee to notify the occupant of a noise restriction violation and allows this notice to be made by telephone call or text message. (Sec. 1, 2)
- 10. Instructs the owner or their designee to notify the occupant of the noise violation in person if it continues for 30 minutes. (Sec. 1, 2)
- 11. Permits a city, town or county to impose the civil penalty prescribed in statute for a verified violation of the noise levels. (Sec. 1, 2)
- 12. Specifies that a city, town or county may prohibit smoking within 100 feet of a residential structure that is a vacation or short-term rental. (Sec. 1, 2)
- 13. Allows a city, town or county to restrict occupants from checking in without the owner or their designee present and requires the owner or their designee to meet the occupant before or at check in to review property rules and deliver keys or entry mechanisms in person. (Sec. 1, 2)
- 14. Authorizes a city, town or county to prohibit parking on public or private streets if on-property parking is available at a vacation or short-term rental. (Sec. 1, 2)
- 15. States that a city, town or county may impose a civil penalty of \$100 per day that the vacation or short-term rental is occupied for a verified violation related to parking. (Sec. 1, 2)
- 16. Prohibits a vacation or short-term rental from advertising to exceed the occupancy limit and allows a city, town or county to impose a civil penalty for a verified violation of \$50 per day for each day a violation occurred. (Sec. 1, 2)
- 17. Makes technical and conforming changes. (Sec. 1, 2)

Amendments

Committee on Government

- 1. Stipulates that the owner of a vacation or short-term rental must display their transaction privilege tax license in online advertisements.
- 2. Prescribes a civil penalty of \$50 per day that may be imposed by a city, town or county for a verified violation of the display of the transaction privilege tax license.



Fifty-fourth Legislature Second Regular Session

House: GOV DPA 7-3-0-0

HCR2020: lieutenant governor; joint candidacy
Sponsor: Representative Nutt, LD 14
Caucus & COW

Overview

Establishes the office of the Lieutenant Governor.

History

The Executive Department of Arizona includes the Governor, Secretary of State, State Treasurer, Attorney General and Superintendent of Public Instruction (AZ. Const. Art. V § 1)

If the Governor dies, resigns, is removed from office or becomes permanently disabled, the Secretary of State succeeds the office of Governor until a successor is elected in a regular election. If the Secretary of State fails to qualify as Governor, the Attorney General, State Treasurer or Superintendent of Public Instruction succeeds the office of the Governor in the order named (AZ. Const. Art. V § 6).

Provisions

- 3. Adds the Lieutenant Governor to the Arizona Executive Department.
- 4. Instructs nominees for Governor to name a Lieutenant Governor no later than 100 days before an election, then run on a joint ticket with said Lieutenant Governor candidate.
- 5. States that a vote for a Governor nominee constitutes a vote for the Lieutenant Governor nominee.
- 6. States that in the event the Governor dies, resigns, is removed or is permanently disabled, the Lieutenant Governor succeeds the office of Governor until the Governor's successor is elected, unless both the Governor and Lieutenant Governor die, resign, are removed from office or are permanently disabled within seven days of one another.
- 7. Requires the Lieutenant Governor to appoint a new Lieutenant Governor in the event the Governor dies, resigns, is removed or is permanently disabled, subject to a majority vote of the Senate.
- 8. Requires the former Lieutenant Governor, now Governor, to appoint a new Lieutenant Governor to the vacancy of the Lieutenant Governor office, subject to a majority vote of the Senate.
- 9. Stipulates that the powers and duties of the Lieutenant Governor will be to supervise and direct the Arizona Department of Administration.
- 10. Instructs the Secretary of State to submit this proposition to the voters at the next general election.
- 11. Makes technical and conforming changes.

Amendments

Committee on Government

1.	. Changes the word <i>disability</i> to <i>incapacity</i> throughout the resolution.						
		☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note		



Fifty-fourth Legislature Second Regular Session

House: JUD DP 5-3-1-1-0

HB2039: gaming; reimbursement; wagers; machines Sponsor: Representative Fillmore, LD 16 Caucus & COW

Overview

Directs a gaming facility to provide a machine, other than the cashier window, for the payment of winnings and return of monies. Contains a Proposition 105 clause.

<u>History</u>

The Indian Gaming Regulatory Act of 1988 regulates the conduct of gaming on Indian Lands. It establishes the National Indian Gaming Commission within the Department of Interior and the regulatory structure for Indian gaming in the United States. (National Indian Gaming Commission)

Current statute allows tribal-state compacts with Indian tribes in the state of Arizona pursuant to the Indian Gaming Regulatory Act of 1988. This act prohibits anyone under the age of 21 years of age from wagering on gaming activities. The Department of Gaming carries out duties and responsibilities of the state gaming agency in compacts executed by the state and Indian tribes of Arizona, according to the Indian Gaming Regulatory Act. (A.R.S. 5-601)

- 1. Instructs a gaming facility to provide a machine for the payment of winnings and the return of all monies that were credited or deposited but not wagered, including denominations of less than \$1. (Sec. 1)
- 2. Contains a Proposition 105 clause. (Sec. 2)

	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note



Fifty-fourth Legislature Second Regular Session

House: JUD DP 10-0-0-0 | APPROP DP 10-1-0-0-0-0

HB 2479: juvenile dependency; state aid; appropriation Sponsor: Representative Biasiucci, LD 5
Caucus & COW

Overview

Establishes and appropriates \$2,000,000 from the state General Fund to the state aid for the Juvenile Dependency Proceedings Fund (Fund) to support the processing of juvenile dependency cases.

History

Current law allows for the Department of Administration to draw warrants, check or electronic funds transfer vouchers against the available balances of appropriations made for a fiscal year period of one month after the close of that fiscal year to pay obligations incurred during the fiscal year or to fulfill contracts made during the fiscal year (FY) as determined by the director of the Department of Administration. (A.R.S. § 35-190)

The Arizona Criminal Justice Commission (ACJC) administers state aid to the County Attorneys Fund by September 1 of each year. The funds are distributed to each county according to the following composite index formula:

- 1) The three-year average of the total felony filings in the superior court in the county, divided by the statewide three-year average of the total felony filings in the superior court;
- 2) The county population, as adopted by the Department of Economic Security, divided by the statewide population, as adopted by the Department of Economic Security;
- 3) The sum of the three-year average of the total felony filings in the superior court in the county, divided by the statewide three-year average of the total felony filings in superior court and the county population divided by the statewide population, divided by two equals the composite index; and
- 4) The composite index for each county shall be used as the multiplier against the total funds appropriated from the state general fund and other monies distributed to the fund. (A.R.S § 24-2409)

- 1. Establishes the Juvenile Dependency Proceedings Fund. (Sec. 1)
- 2. Distributes monies from the Juvenile Dependency Proceedings Fund to county public defenders, legal defenders and contract indigent defense counsel for the processing of juvenile dependency cases. (Sec. 1)
- States the ACJC will administer the Juvenile Dependency Proceedings Fund, and the monies will be continuously appropriated and be distributed by September 1 of each year based on the total amount of felonies, county population and the composite index of each county. (Sec. 1, 2)
- 4. Exempts monies in the Juvenile Dependency Proceedings Fund from any obligations relating to lapsing of appropriations for paying obligations incurred during the fiscal year and to fulfill contracts made during the year. (Sec. 1, 3)
- 5. States that on notice of ACJC, the state treasurer will invest and divest monies in the Juvenile Dependency Proceedings Fund and monies earned from investments must be credited to the Juvenile Dependency Proceedings Fund. (Sec. 1)
- 6. Transfers the responsibility from the *Department of Economic Security* to the *Office of Economic Opportunity* for determining the county population. (Sec. 2)

☐ Prop 105 (45 votes) ☐ Prop 108 (40 votes) ☐ Emergency (40 votes) ☐ Fiscal Note
--

- 7. Dictates ACJC must distribute monies in the Juvenile Dependency Proceedings Fund to each county in which the three-year average of the total juvenile dependency case filings in the superior court of the county for FY 2012, 2013 and 2014 based on the proportion of the population of each qualifying county bears to the total qualifying county population. (Sec. 2)
- 8. States the board of supervisors of each county must separately account for the monies distributed. (Sec. 2)
- 9. Appropriates \$2,000,000 from the state General Fund in FY 2021 to the Juvenile Dependency Proceedings Fund. (Sec. 3)
- 10. Contains technical and conforming changes. (Sec. 2)



Fifty-fourth Legislature Second Regular Session

House: JUD DP 10-0-0-0

HB 2683: anti-semitism; crime reporting; aggravating factor Sponsor: Representative Hernandez A, LD 3

Caucus & COW

Overview

Directs the Department of Public Safety to collect information regarding criminal offenses demonstrating evidence of anti-semitism prejudice and to use the anti-semitism definition adopted by the United States Department of State.

<u>History</u>

On May 26, 2016, the 31-member states of the International Holocaust Remembrance Alliance (IHRA), of which the United States is a member, adopted a non-legally binding working definition of anti-semitism. As a member of IHRA, the United States Department of State now uses this working definition and has encouraged other governments and international organizations to use it as well. (<u>United States Department of State</u>)

The working definition of anti-semitism used by the United States Department of State is as follows: anti-semitism is a certain perception of Jews, which may be expressed as hatred toward Jews. Rhetorical and physical manifestations of antisemitism are directed toward Jewish or non-Jewish individuals and/or their property, toward Jewish community institutions and religious facilities. (United States Department of State)

The Department of Public Safety is currently required to collect information on criminal offenses demonstrating evidence of prejudice based on race, color, religion, national origin, sexual orientation, gender or disability. Additionally, chief officers of criminal justice agencies and political subdivisions are required to collect and share information on these offenses with the Department of Public Safety. (A.R.S. § 41-1750)

- 1. Directs the Department of Public Safety to collect information on criminal offenses demonstrating evidence of anti-semitism prejudice. (Sec. 1)
- Requires chief officers of criminal justice agencies or political subdivisions to provide to the Department of Public Safety information on criminal offenses demonstrating evidence of prejudice based on anti-semitism. (Sec. 1)
- 3. States that the definition of *anti-semitism* includes the definition of *anti-semitism* adopted by the International Holocaust Remembrance Alliance on May 26, 2016, and adopted by the United States Department of State, including the contemporary examples of anti-semitism identified in the adopted definition. (Sec. 1)
- 4. States that the term *anti-semitism* does not include criticism of Israel similar to that leveled against any other country. (Sec. 1)
- 5. Makes conforming changes. (Sec. 1)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note



Fifty-fourth Legislature Second Regular Session

House: HHS DP 9-0-0-0 | APPROP W/D

HB 2258: appropriation; alcohol; tobacco; drug education Sponsor: Representative Thorpe, LD 6
Caucus & COW

Overview

Appropriates \$1,000,000 from the Health Education Account (HEA) in each fiscal year to the Department of Health Services (DHS) for partnering with agencies and nonprofits to teach children the health dangers of illegal substances, including electronic smoking devices.

History

<u>DHS</u> is responsible for the provision of most public health programs not administered by AHCCCS, the Arizona State Hospital (ASH), emergency medical services, state laboratory support, vital records maintenance, disease control, epidemiological monitoring, and radiation regulation. HEA monies are used for community-based education, evaluation, and other programs to discourage tobacco use among the general public, specifically targeting minors and culturally diverse populations. (A.R.S. §§ 36-772 and 36-104)

Current law allows the <u>Governor's Office of Youth, Faith and Family</u> (GOYFF) or DHS to partner with state and local education agencies and facility-based nonprofit youth development organizations to annually teach children in grades 5-12 about the health dangers of federally defined illegal substances, tobacco, alcohol, marijuana, opioid and nonprescription pharmaceuticals (A.R.S. § <u>41-115</u>)

- 1. Appropriates \$1,000,000 from HEA in each fiscal year to DHS for partnering with agencies and nonprofits to teach children about the health dangers of illegal substances, including electronic smoking devices. (Sec. 1)
- 2. Clarifies that GOYFF or DHS can partner with agencies and nonprofits to teach children about the health dangers of illegal substances, including electronic smoking devices. (Sec. 1)
- 3. Makes conforming changes. (Sec. 1)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note



Fifty-fourth Legislature Second Regular Session

House: DPA/SE HHS 9-0-0-0

HB 2319: technical correction; midwives

S/E Arizona state hospital
Sponsor: Representative Barto, LD 15

Caucus & COW

Overview

Includes provisions for a governing body, reports, staffing plan, individualized treatment and discharge plans, assault reduction and response plan, Psychiatric Security Review Board (PSRB) requests, surveillance system and an appropriation.

History

The Arizona <u>Department of Health Services</u> (DHS) contains six divisions: the Director's Office; Licensing; Planning and Operations; Preparedness; and Prevention; and the Arizona State Hospital (ASH). It is the mission of ASH to provide evidence-based, recovery-oriented and trauma informed care to the individuals receiving services at ASH in order to facilitate their successful transition to the least restrictive alternative possible.

In September of 2019, the Arizona Auditor General issued a Performance Audit on the <u>Arizona Department of Health Services - Arizona State Hospital</u>. As noted in the audit, ASH provides long-term inpatient psychiatric treatment to persons with mental illness. When individuals with a mental disorder are court-ordered to undergo treatment, statute requires they received treatment in the least restrictive treatment alternative available. ASH is considered to be highest and most restrictive level of care in the State and is the only state-operated psychiatric hospital in Arizona.

Provisions

State hospital governing body; membership; appointments

- 1. Provides that the governing body of the state hospital consists of at least nine voting members appointed by and who serve at the pleasure of the governor. (Sec. 1)
- 2. Outlines the membership as follows:
 - a) The Director of DHS or the Director's designee, who serves as the chairperson of the governing body.
 The Director must attend meetings of the governing body whenever possible and must review and sign all minutes of the meetings;
 - b) The Superintendent of ASH;
 - At least one member who is a licensed body-certified forensic psychiatrist with experience in operating psychiatric hospitals;
 - d) At least one member who is a licensed forensic psychologist with experience in operating psychiatric hospitals;
 - e) The chairperson of the Independent Oversight Committee at ASH, who serves as a *nonvoting* member of the body. (Sec. 1)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note	

- 3. States that a voting member may not be employed by this state or any entity that contracts with the state, except for the Director and Superintendent. (Sec. 1)
- 4. Provides that the governing body is responsible for conducting ASH as an institution and must provide oversight to ensure that the delivery of services is consistent with ASH's mission, vision and purpose. (Sec. 1)
- 5. Prohibits governing body members from receiving compensation but allowing for reimbursement of expenses. (Sec. 1)

State hospital; reports

- 6. Requires, by October 1 of each year, the Director to submit to the Governor, the President of the Senate and the Speaker of the House of Representatives a report that covers the preceding 12 months and that addresses all of the following:
 - a) Implementing evidence-based individualized treatment and discharge plans and performance against fidelity measures;
 - b) Budget requests for staffing that include the number of filled, appropriated and non-appropriated full-time equivalent positions in each facility, and the status of implementing the staffing plan;
 - c) Implementing and operating the audio-visual surveillance system;
 - d) Assault reduction;
 - e) For civil commitments, the time between the request for admission and the admission date and steps to reduce any delay;
 - f) Admission, census and clinical information documenting the types of patients served and the patients' progress toward release to a more integrated level of care or to the community; and
 - g) Clinical areas in which there is a lack of resources to provide adequate evidence-based treatment to patients. (Sec. 2)
- 7. Requires the report to include, regarding forensic patients, documentation of ASH's compliance with and an explanation of any noncompliance with requests from the PSRB for mental health reports or risk assessments on patients appearing before the PSRB, the provision of patients' medical records requested by the PSRB and the appearance of hospital employees as witnesses at hearings if requested by the PSRB. (Sec. 2)

Staffing plan

8. Specifies that the Director, in consultation with the ASH Governing Body, must develop, implement and document a staffing plan to reduce vacancy rates at the civil facility, the forensic facility and the Arizona Community Protection and Treatment Center to a level that the Director deems appropriate to carry out an active program of treatment for individuals receiving services at ASH. (Sec. 3)

Individualized treatment and discharge plans

- 9. Requires a psychiatrist, within 30 days of admission, to develop, implement and document an individualized treatment and discharge plan for each patient. (Sec. 3)
- 10. States the individual treatment and discharge plans must be administered by or under the supervision of psychiatrist. (Sec. 3)

- 11. Specifies that each individual treatment and discharge plan be based on evidence-based national standards and fidelity measures, which must include diagnosis-specific, measurable programming and clinical outcomes that are reviewed and modified at least every 90 days. (Sec. 3)
- 12. Provides that for forensic patients, each individualized treatment and discharge plan must both:
 - a) Include specific programming to treat the patient's mental disease or defect that resulted in commitment to ASH; and
 - b) Focus on the patient achieving stable remission and eliminating dangerousness, if any, so the patient can meet the statutory criteria for release by the PSRB or transfer to the state Department of Corrections. (Sec. 3)

Assault reduction and response plan; training

- 13. States the Director must contract with an independent third-party contractor to develop, implement and document an assault reduction and response plan that includes ongoing evaluation criteria using national standards and fidelity measures, including a root cause analysis. The plan must require staff training at the time of hire as well as ongoing training to ensure that staff maintain competency in assault prevention and response. (Sec. 3)
- 14. Requires the training to be provided at least twice a year and evaluated once a year by an external body. (Sec. 3)
- 15. Requires the Superintendent to respond in good faith and on a timely basis to requests from the PSRB for each of the following:
 - a) A patient's records;
 - b) A report on a patient's clinical progress or the patient's individualized treatment and discharge plan;
 - c) A patient risk assessment;
 - d) An explanation of a rule violation by a patient; and
 - e) A witness from the treatment team to appear before the PSRB when a patient appears before the Board. (Sec. 3)

Psychiatric security review board requests; state hospital response

- 16. States that if the Superintendent in good faith believes as a matter of law that ASH cannot comply with a request from the PSRB regarding a patient, ASH must immediately notify the parties involved in the patient's matter and arrange to meet and confer jointly with the Chairperson of the Board and the patient's attorney or the patient if the patient is not represented. (Sec. 3)
- 17. Provides that if a resolution cannot be reached, ASH must immediately pursue available legal remedies to obtain a judicial resolution. (Sec. 3)

Surveillance system; storage requirements

18. Requires ASH to maintain a surveillance system that includes both audio and visual capability and secure storage of the audio and visual files for at least 12 months after the date of any incident. (Sec. 3)

Appropriation; department of health services; surveillance system; Arizona state hospital

19. Contains a blank appropriation from the state General Fund in fiscal year 2021 to DHS to install and maintain a surveillance system and audio and visual capability at ASH. (Sec. 3)

Amendments

Committee on Health and Human Services

- 1. The strike-everything amendment was adopted and the bill was further amended.
- 2. Subjects the surveillance system to available appropriations and adjusts the storage time of the files from 12 months to 3 months.
- 3. Makes changes to the reporting requirement.
- 4. Removes the requirement for the Superintendent to meet with the Chairperson of the PSRB and the patient's attorney if ASH cannot comply with a request from the PSRB.



Fifty-fourth Legislature Second Regular Session

House: HHS DP 9-0-0-0

HB 2846: public officials; entities; civil liability Sponsor: Representative Shah, LD 24 Caucus & COW

Overview

States that a public entity is not liable for damages as a result of an injury caused by any act or omission by a public officer who renders emergency care gratuitously on the grounds of a public building or at the scene of an emergency occurrence.

History

Statute shall not be construed to affect, alter or otherwise modify any other rules of tort immunity regarding public entities and public officers as developed at common law and established under the statutes and constitution of this state. A public entity is not liable for losses that arise out of and are directly attributable to an act or omission determined by a court to be a criminal felony by a public employee unless the public entity knew of the employee's propensity for that action A.R.S. § 12-820.05.

Provisions

1. Specifies that a public entity is not liable for damages as a result of an injury caused by any act or omission by a public officer who renders emergency care gratuitously and in good faith in a public building, a public gathering on the grounds of a public building or at the scene of an emergency occurrence or as the result of any act or failure to act to provide or arrange for further medical treatment or care for the injured person, unless the public officer is guilty of gross negligence. (Sec. 1)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note



Fifty-fourth Legislature Second Regular Session

House: HHS DP 5-4-0-0

HCR2045: medical marijuana; mental health; research
Sponsor: Representative Bowers, LD 25
Caucus & COW

Overview

Requires the Arizona Department of Health Services (DHS) to develop warning labels for medical marijuana, provides guidelines relating to grants given for research on medical marijuana and outlines the use of taxes collected by business under the medical marijuana classification.

History

In 2010, the Arizona Medical Marijuana Act (AMMA) was established through <u>Proposition 203</u>, a voter-approved initiative measure. Statute requires DHS to regulate the AMMA through rulemaking, registration and certification of medical marijuana dispensaries, registration of qualifying patients and designated caregivers, issuing or denying registry identification cards and establishing a verification system. Statute also outlines limitations of the AMMA, requirements for dispensaries, definitions of terms relating to the AMMA, guidelines on the dispensing of marijuana and the administration of the Medical Marijuana Fund. (A.R.S. Title 36, Chapter 28.1)

- 1. Requires DHS to develop warning labels which must be displayed on the packaging of any medical marijuana that is dispensed at a registered dispensary. (Sec. 1)
- 2. Prohibits a registered dispensary from dispensing medical marijuana with a tetrahydrocannabinol (THC) concentration greater than 2%. (Sec. 2)
- Requires DHS to provide grants from the Medical Marijuana Fund for marijuana research studies on the safety and efficacy of using marijuana for medical purposes, specifically focusing on the relationship between marijuana use and schizophrenia and the relationship between marijuana use and violent behavior. (Sec. 3)
- 4. Exempts marijuana research grants from statutory requirements pertaining to the solicitation and award of grants. (Sec. 3)
- 5. Requires DHS to post on its website research conducted under the grants provided. (Sec. 3)
- 6. Provides immunity to a person who receives a grant for a marijuana research study for possession of marijuana cultivated for medical use during the research study. (Sec. 3)
- 7. Adds medical marijuana classification to the business classifications at a 5% tax base. (Sec. 5)
- 8. Requires the State Treasurer to credit the total amount of state transaction privilege tax revenues received from business conducted under the medical marijuana classification to the General Fund on a monthly basis. (Sec. 6)
- 9. Requires the legislature to annually appropriate the monies credited to AHCCCS for non-Medicaid seriously mentally ill services. (Sec. 6)
- 10. Specifies that the selling of marijuana by a nonprofit medical marijuana dispensary comprises the medical marijuana classification. (Sec. 7)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note	

- 11. Specifies that the tax base of the medical marijuana classification is the gross proceeds of sales derived from the business. (Sec. 7)
- 12. Requires the Secretary of State to submit this proposition to the voters at the next general election. (Sec. 8)
- 13. Makes technical and conforming changes. (Sec. 2, 4 and 5)



Fifty-fourth Legislature Second Regular Session

House: COM DPA/SE 9-0-0-0

HB 2522: bingo; licenses; taxes.
S/E: bingo; conduct; licenses; taxes
Sponsor: Representative Lieberman, LD 28
Caucus & COW

Summary of the Strike-Everything Amendment to HB 2522

Overview

Increases the allowable gross receipt amounts relating to bingo licenses.

History

The Department of Revenue (DOR) enforces bingo laws and issues bingo licenses. Licenses are divided into three classifications based on the gross receipts. A class A license may be issued to a person in which the gross receipts cannot exceed \$15,600 per year. A class B license may be issued to a qualified organization which the gross receipts cannot exceed \$300,000 per year. A class C license may be issued to a qualified organization which the gross receipts exceed \$300,000 per year (A.R.S. § 5-413).

If the licensee's gross receipts exceed the limits, the licensee must:

- 1) Immediately notify DOR that the limit has been exceeded;
- 2) Submit documents and meet the requirements for the new class of license applicable to the level of gross receipts;
- 3) Pay DOR the fee for the appropriate class of the license minus the amount originally submitted; and
- 4) Pay any tax at the rate applicable to the new class of license (A.R.S. § 5-415).

- 1. Removes the prohibition relating to conducting a lottery or raffle within a 12-hour period before or after a bingo occasion or game. (Sec. 1)
- 2. Increases the gross receipt amounts for each license classification as follows:
 - a. Class A license, from \$15,600 to \$75,000;
 - b. Class B license, from \$300,000 to \$500,000; and
 - c. Class C license, from \$300,000 to \$500,000. (Sec. 2)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note



Fifty-fourth Legislature Second Regular Session

House: COM DP 8-1-0-0

HB 2633: long-term RV act; manager education Sponsor: Representative Blackman, LD 6 Caucus & COW

Overview

Establishes education requirements for recreational vehicle park managers.

History

The Mobile Home Parks Residential Landlord and Tenant Act simplifies, clarifies and establishes laws governing the rental of mobile home spaces, rights and obligation of the landlord and tenant (<u>Title 33, Chapter 11</u>).

Current law requires a mobile home park manager to complete a minimum of six hours of educational programs with an additional six hour every two years. Further, the law specifies penalties for failure to provide proof that the landlord has completed the requirements for the educational program (A.R.S. § 33-1437)

An *educational program* is a class, workshop or educational convention that primarily instructs attendees on issues dealing with the operation of a mobile home park and that is sponsored by a nonprofit organization whose sole or primary purpose is the advocacy and promotion of the rental mobile home parks or recreational vehicle parks industry (A.R.S. § 33-1409).

- 1. Requires a park manager to complete at least six hours of educational programs and at least six additional hours every two years within six months of employment. (Sec. 4)
- 2. Directs the park manager to post proof of and compliance with the educational program requirements in a conspicuous place at the recreational vehicle park. (Sec. 4)
- 3. Allows a tenant to file a complaint with the Director (Director) of the Arizona Department of Housing if the park manager cannot produce proof of completion of the educational program requirements.
 - a. Instructs the Director to issue a show cause order directing the landlord to provide proof of compliance. (Sec. 4)
- 4. Requires the Director to impose a \$500 civil penalty, with an additional \$500 per month civil penalty if the landlord:
 - a. Fails to provide satisfactory evidence of compliance; or
 - b. Fails to respond with the show cause order, within 30 days after service by certified mail.
 - c. Provides for the penalties to be exonerated. (Sec. 4)
- 5. Stipulates the director must refer the matter to the Attorney General for enforcement and collection of penalties and surcharges if the landlord does not provide satisfactory evidence of compliance. (Sec. 4)
 - a. Requires monies collected from penalties to be deposited into the state General Fund and monies collected from surcharges to be deposited in the Mobile Home Relocation Fund. (Sec. 4)

Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note	

- 6. Includes recreational vehicle park to definition of *educational program* under the Model Home Parks Residential Landlord and Tenant Act. (Sec. 1)
- 7. Defines *education program* and *park manager* and *park model park* under the Recreational Vehicle Long-Term Rental Space Act. (Sec. 3)
- 8. Makes technical and conforming changes. (Sec. 2, 3, 5)



Fifty-fourth Legislature Second Regular Session

House: COM DP 5-2-0-2 | Approp DPA 6-5-0-0

HB 2813: sports betting; historic racing; revenue Sponsor: Representative Pierce, LD 1
Caucus & COW

Overview

Allows for historic racing and sports betting to be conducted in this state.

History

The Arizona Department of Gaming (Department) was established in 1995 to monitor tribal gaming activities in accordance with the Arizona tribal-state gaming compacts required by federal law and as authorized by statute.

Federal law requires an Indian tribe and the state to negotiate for a tribal-state compact governing the conduct of class III gaming activities on tribal lands (25 U.S.C. 2710). The tribal-state gaming compacts between Arizona and the 22 federally-recognized Indian tribes in the state are substantially identical and outline the regulatory framework governing class III gaming. The Department's duties prescribed by statute and tribal-state gaming compacts include: 1) monitoring gaming operations; 2) investigating suspected compact violations; 3) conducting compact compliance reviews of gaming operations, facilities and activities of facility operators; 4) certifying gaming employees who are not enrolled tribal members; 5) certifying management contractors, financiers, manufacturers and suppliers of gaming devices, providers of gaming services and management officials; 6) administering the transfer of unused gaming device allocations; 7) providing problem gambling prevention, treatment and education; and 8) administering and allocating Indian tribes' state contributions through the Arizona Benefits Fund as outlined (A.R.S. Title 5, Chapter 6).

Class III gaming, as defined by federal law, includes:

- 1. Any house banking game including, cards games and casino games;
- 2. Any slot machines and electronic or electromechanical facsimiles of any game of change;
- 3. Any sports betting and pari-mutuel wagering including, wagering on horse racing, dog racing, or jai alai; or
- 4. Lotteries.

Provisions

Historic Racing (Sec. 1)

- 1. Requires the Department to adopt rules to allow historic racing to be conducted as regulated gambling at racetrack enclosures and additional wagering facilities.
 - a. Requires the rules to include license application procedures and approval, issuance, renewal and revocation criteria.
- 2. Specifies the systems for wagering may be both manual and electronic forms of wagering.
 - a. Requires the wagering to be on a closed-loop system located within a racetrack enclosure or additional wagering facility.
- 3. Instructs the Director (Director) of the Department to establish application, issuance and renewal licensing fees.
- 4. Defines *historic racing* as a form of racing that establishes pari-mutuel pools from wagers placed on previously conducted races and that is conduct by a commercial live-racing permittee or additional wagering facility.

	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note	

Tribal-State Gaming Compact (Sec. 2)

5. Removes statutory language that is incorporated into a tribal-state gaming compact that stipulates tribal actions that maybe taken if, after May 2, 2002, state law changes to permit a person or entity other than an Indian tribe to operate a gaming device, any form of class III gaming or poker.

Sports Betting (Sec. 3)

- 6. Instructs the Department to adopt rules to allow sports betting to be conducted as regulated gambling at parimutuel racetrack, additional wagering facilities and casinos.
 - Specifies the rules must include licensure requirement; and
 - b. Adds the Director must establish licensing fees.
- 7. Allows the betting systems to be both manual and electronic forms on a closed-loop system.
- 8. Requires the Department to regulate sports betting in a manner that is consistent with the regulation of tribal gaming.
- 9. Allows an Indian tribe to operate sports betting through a tribal gaming operator who is subject to licensure.
- 10. Specifies the licensure of the owner, partner, shareholder of the tribal gaming operator does not include the members or government officials of an Indian tribe.
- 11. Directs the Department to impose and collect an unspecified percent amount of the licensee's adjusted gross sports betting receipts.
- 12. Establishes the racing purse enhancement fund consisting of monies collected from sports betting receipts.
 - a. Requires the Department to administer the fund; and
 - b. Outlines the distribution of monies.
- 13. Defines pertinent terms.

Miscellaneous

- 14. Includes sports betting and historic racing that is conducted pursuant to statute as lawful regulated gambling. (Sec. 5)
- 15. Exempts sports betting and historic racing from statute relating to prohibited betting and wagering. (Sec. 6)
- 16. Subjects sports betting that is conducted outside a racetrack enclosure, additional wagering facility or tribal casino to the amusement tax classification. (Sec. 7)
- 17. Allows certain revenues collected by an Indian tribe for sports betting to be deducted from the amusement classification tax base. (Sec. 7)
- 18. Limits amounts subject to state and local taxes to 6.75% of the adjusted gross receipts. (Sec. 7)
- 19. Specifies *gross income* and *gross proceeds of sale* means the receipts remaining after deducting the monies paid for winnings from gross receipts. (Sec. 7)
- 20. Exempts the Department from rulemaking for one year. (Sec. 8)
- 21. Contains a Prop 105 clause. (Sec. 9)
- 22. Makes conforming changes. (Sec. 2, 4)

Amendments

Committee on Appropriations

- 1. Sets the percentage amount collected for deposit into the Racing Purse Enhancement Fund as 8.8% of the licensee's adjusted gross sports betting receipts.
 - a) Specifies from the monies collected:
 - i. 92% is deposited into the state General Fund; and
 - ii. 8% is transferred to a recognized organization representing horsemen to be held in trust for racing purses.



Fifty-fourth Legislature Second Regular Session

House: COM DPA 5-2-0-2

HB 2841: municipal zoning; housing overlay Sponsor: Representative Kern, LD 20 Caucus & COW

Overview

Requires a municipality to adopt by ordinance a Housing Affordability Zoning Overlay District.

History

Municipalities have the authority to regulate the use of buildings, structures and land within its jurisdiction by ordinance to conserve and promote the public health, safety and general welfare. All municipal zoning regulations must be uniform to each class or kind of building, but the regulations in one type of zone may differ from those in other types of zones (A.R.S. § 9-462.01).

Provisions

Housing Affordability Zoning Overlay District (District) (Sec. 1)

- 1. Declares housing affordability is a matter of statewide concern.
- 2. Specifies the regulation of housing within the designated District is not subject to further regulation by a city, town or political subdivision of this state, including a charter city.
- 3. Requires a municipality to adopt by ordinance, prior to July 1, 2021, a District over at least 30% of all vacant land that is zoned for single-family residential use.
- 4. Specifies the District may allow a subdivider to construct a qualifying development of not more than 15 dwelling units per acre for sale.
- 5. Instructs the municipality to update the ordinance with each successive general plan to ensure compliance.
- 6. Prohibits a municipality from:
 - a. Denying a building permit or approval that is required as a condition of development or construction for failure to comply with; and
 - b. Enforcing any code, ordinance, standard, or any other legal requirement relating to or regulating dwelling design elements or the location and size of open space, with exception.
- 7. Allows a municipality:
 - a. To limit landscaping material to approved drought-tolerant trees and plants; and
 - b. Require applicable state and federal law regarding sidewalk placement and design.
- 8. Exempts a code, ordinance, standard or other legal requirement that meets specified criteria from certain District requirements.
- 9. Requires a municipality to grant or deny a building permit or approval that is required as a condition of development or construction within 90 days after a subdivider submits a completed application.

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note

- a. Allows a subdivider to proceed with the development or construction without a permit or approval if the municipality does not grant or deny the application.
- 10. Allows the municipality to adopt a reasonable reporting requirement to determine if the subdivider that is selling newly constructed dwellings within the qualifying development continues to meet the certification requirement.
 - a. Stipulates the municipality may request the Real Estate Department revoke the subdivider's public report if it is determined that the subdivider is not in compliance.
 - b. Stipulates if the subdivider fails to demonstrate to the Department, within 60 days of receiving the request, that the subdivider is in compliance, the Department must revoke the public report.
- 11. Allows any action of enforcement to be brought before the superior court.
- 12. Specifies the requirements and limitations placed on a municipality must be broadly construed to ensure that the municipality is not enacting regulations that discourage the development of qualifying developments through unreasonable cost or delay.
- 13. Requires any District ordinance be adopted following the procedure prescribed in the citizen review process relating to public hearings.
- 14. Specifies the requirements for a District does not:
 - a. Prohibit a municipality from allowing the development and construction of dwelling units in accordance with the underlying zoning district or approving a rezoning request under a zoning ordinance; or
 - b. Affect the validity or enforceability of private covenants or other contractual agreements among property owners relating to dwelling design elements.
- 15. Defines dwelling, dwelling design elements, housing organization, minimum standard building code, objective, qualifying development and subdivider.
- 16. Makes a conforming change. (Sec. 2)

Amendments

Committee on Commerce

- 1. Modifies the criteria for a code, ordinance or other legal requirement to be exempt from District requirements.
- 2. Increase the amount of time for approving or denying a building permit from 90 days to 120 days.
- 3. Allows a municipality to withhold a certificate of occupancy or final approval for failure to comply with any object health or safety requirement.
- 4. Specifies District requirements do not create any new statutory authority to regulate residential subdivision development or the design or construction of residential dwellings.



Fifty-fourth Legislature Second Regular Session

House: COM DPA 4-2-0-3

HB 2853: furnishing tobacco; minors; enterprise penalties Sponsor: Representative Bolick, LD 20 Caucus & COW

Overview

Establishes penalties for businesses that unlawfully furnishing tobacco and vapor products.

History

A person who knowingly sells, gives or furnishes cigars, cigarettes or cigarette papers or smoking and chewing tobacco (tobacco products), a vapor product or any instrument or paraphernalia that is solely designed for smoking or ingesting tobacco or shisha to a minor is guilty of a petty offense.

A minor who buys or possesses or knowingly accepts or receives such products or instruments is guilty of a petty offense and if applicable must pay a fine of at least \$100 or serve at least 30 hours of community service.

A minor who misrepresents their age to any other person by means of a written instrument of identification with the intent to induce the other person to sell, give, or furnish such products or instruments is guilty of a petty offense and is required to pay a fine of no more than \$500.

Statute defines "Shisha" as any mixture of tobacco leaf and honey, molasses or dried fruit or any other sweetener. "Vapor product" means a noncombustible tobacco-derived product containing nicotine that employs a mechanical heating element, battery or circuit, regardless of shape or size, that can be used to heat a liquid nicotine solution contained in cartridges. Vapor product does not include any product that is regulated by the United States Food and Drug Administration (A.R.S. § 13-3622).

In 2019, the President signed <u>legislation</u> amending the Federal Food, Drug, and Cosmetic Act, and raising the federal minimum age of sale of tobacco products from 18 to 21 years.

- 1. Prescribes penalties and restrictions for businesses that violate laws relating to furnishing of tobacco and vapor products as follows:
 - a. For a first offense, mandatory attendance at a court-approved tobacco retailer educational course in lieu of or in addition to a fine of at least \$500 but not more than \$750;
 - b. For a second offense within 3 years, a fine of at least \$1,000 but not more than \$1,500 and mandatory attendance at a court-approved tobacco retailer educational course, and the court must prohibit the enterprise from selling, giving or furnishing tobacco or vapor products for 30 days.
 - c. For a third offense within 3 years, a fine of at least \$2,000 but not more than \$2,500 and mandatory attendance at a court-approved tobacco retailer educational course, and the court shall prohibit the enterprise from selling, giving or furnishing tobacco or vapor products for 90 days.
 - d. For a fourth or subsequent offense within 3 years, a fine of at least \$3,000 but not more than \$5,000 and mandatory attendance at a court-approved tobacco retailer educational course and the court shall prohibit the enterprise from selling, giving or furnishing tobacco or vapor products for 1 year. (Sec. 1)

Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note	

- 2. Specifies a business that violates an imposed restriction is subject to additional fines and increased restrictions. (Sec. 1)
- 3. Prohibits a court from waiving a fine if the enterprise commits a second or subsequent violation after 3 years from the first violation. (Sec. 1)
- 4. Requires at least one owner or manager and one person serving in a nonmanagerial position to attend a tobacco retailer educational course, if ordered by a court. (Sec.1)

Amendments

Committee on Commerce

1. Replaces the term *minor* with a *person who is under the minimum age of sale for tobacco products* as defined by federal law.



Fifty-fourth Legislature Second Regular Session

House: TRANS DPA 8-1-0-0 | APPROP DPA 9-1-0-1

HB 2207: appropriation; route H60 **Sponsor: Representative Teller, LD 7**

Caucus & COW

Overview

Provides funding to the Arizona Department of Transportation (ADOT) to distribute to the Hopi Tribe for the Route H60 construction project.

History

Laws 1973, Chapter 146 established ADOT to provide for an integrated and balanced state transportation system. with a director responsible for the department's administration (A.R.S. § 28-331). ADOT has exclusive control and jurisdiction over state highways, state routes, state owned airports and all state-owned transportation systems or modes are vested in ADOT.

The duties of ADOT are as follows: 1) register motor vehicles and aircraft, license drivers, collect revenues, enforce motor vehicle and aviation statutes and perform related functions; 2) do multimodal state transportation planning, cooperate and coordinate transportation planning with local governments and establish an annually updated priority program of capital improvements for all transportation modes; 3) design and construct transportation facilities in accordance with a priority plan and maintain and operate state highways, state owned airports and state public transportation systems; 4) investigate new transportation systems and cooperate with and advise local governments concerning the development and operation of public transit systems; and 5) have administrative jurisdiction of transportation safety programs and implement them in accordance with applicable law (A.R.S. § 28-332).

Provisions

- 1. Appropriates \$35,000,000 from the General Fund in FY 2021 to ADOT to distribute to the Hopi Tribe for the Route H60 construction project. (Sec. 1)
- 2. States that the appropriation is not subject to review by the Joint Committee on Capital Review (JCCR). (Sec. 1)

Amendments

Committee of Transportation

1. Eliminates the exemption from review by JCCR.

Committee of Appropriations

- 1. Decreases the appropriation to \$3,000,000.
- 2. Specifies the appropriation is for construction or improvements of Route H60, rather than for a construction project.
- 3. Eliminates the exemption for review by JCCR.

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note



Fifty-fourth Legislature Second Regular Session

House: TRANS DP 8-0-0-1

HB 2798: appropriation; north-south corridor study
Sponsor: Representative Cook, LD 8
Caucus & COW

Overview

Provides funding to the Arizona Department of Transportation (ADOT) for a tier 2 study related to the north-south corridor transportation project in Pinal County.

History

<u>Laws 1973, Chapter 146</u> established ADOT to provide for an integrated and balanced state transportation system with a director responsible for the department's administration (<u>A.R.S. § 28-331</u>). ADOT has exclusive control and jurisdiction over state highways, state routes, state owned airports and all state- owned transportation systems or modes are vested in ADOT.

The duties of ADOT are as follows: 1) register motor vehicles and aircraft, license drivers, collect revenues, enforce motor vehicle and aviation statutes and perform related functions; 2) do multimodal state transportation planning, cooperate and coordinate transportation planning with local governments and establish an annually updated priority program of capital improvements for all transportation modes; 3) design and construct transportation facilities in accordance with a priority plan and maintain and operate state highways, state owned airports and state public transportation systems; 4) investigate new transportation systems and cooperate with and advise local governments concerning the development and operation of public transit systems; and 5) have administrative jurisdiction of transportation safety programs and implement them in accordance with applicable law (A.R.S. § 28-332).

Provisions

1. Appropriates \$5,000,000 from the General Fund in FY 2021 to ADOT for a tier 2 study related to the north-south corridor transportation project in Pinal County.

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note



Fifty-fourth Legislature Second Regular Session

House: TRANS DP 7-0-0-2 | APPROP DP 8-3-0-0

HB 2833: appropriation; repaving; State Route 95
Sponsor: Representative Biasiucci, LD 5
Caucus & COW

Overview

Provides funding to the Arizona Department of Transportation (ADOT) to repave State Route 95 from the Bullhead Parkway intersection in Bullhead City to the Courtwright Road intersection in Mohave Valley.

History

<u>Laws 1973, Chapter 146</u> established ADOT to provide for an integrated and balanced state transportation system with a director responsible for the department's administration (<u>A.R.S. § 28-331</u>). ADOT has exclusive control and jurisdiction over state highways, state routes, state owned airports and all state- owned transportation systems or modes are vested in ADOT.

The duties of ADOT are as follows: 1) register motor vehicles and aircraft, license drivers, collect revenues, enforce motor vehicle and aviation statutes and perform related functions; 2) do multimodal state transportation planning, cooperate and coordinate transportation planning with local governments and establish an annually updated priority program of capital improvements for all transportation modes; 3) design and construct transportation facilities in accordance with a priority plan and maintain and operate state highways, state owned airports and state public transportation systems; 4) investigate new transportation systems and cooperate with and advise local governments concerning the development and operation of public transit systems; and 5) have administrative jurisdiction of transportation safety programs and implement them in accordance with applicable law (A.R.S. § 28-332).

Provisions

 Appropriates \$22,000,000 from the General Fund in FY 2021 to ADOT to repave State Route 95 from the Bullhead Parkway intersection in Bullhead City to the Courtwright Road intersection in Mohave Valley. (Sec. 1)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note



Fifty-fourth Legislature Second Regular Session

House: TRANS DP 7-0-0-2 | APPROP DP 7-4-0-0

HB 2834: appropriation; State Route 95; repaving Sponsor: Representative Biasiucci, LD 5
Caucus & COW

Overview

Provides funding to the Arizona Department of Transportation (ADOT) to repave State Route 95 from Interstate 40 to Sara Park in Lake Havasu.

History

<u>Laws 1973, Chapter 146</u> established ADOT to provide for an integrated and balanced state transportation system with a director responsible for the department's administration (<u>A.R.S. § 28-331</u>). ADOT has exclusive control and jurisdiction over state highways, state routes, state owned airports and all state- owned transportation systems or modes are vested in ADOT.

The duties of ADOT are as follows: 1) register motor vehicles and aircraft, license drivers, collect revenues, enforce motor vehicle and aviation statutes and perform related functions; 2) do multimodal state transportation planning, cooperate and coordinate transportation planning with local governments and establish an annually updated priority program of capital improvements for all transportation modes; 3) design and construct transportation facilities in accordance with a priority plan and maintain and operate state highways, state owned airports and state public transportation systems; 4) investigate new transportation systems and cooperate with and advise local governments concerning the development and operation of public transit systems; and 5) have administrative jurisdiction of transportation safety programs and implement them in accordance with applicable law (A.R.S. § 28-332).

1.	Appropriates \$25,000,000 from the state General Fund in FY 2021 to ADOT to repave State Route 95 from
	Interstate 40 to Sara Park in Lake Havasu. (Sec. 1)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note



Fifty-fourth Legislature Second Regular Session

House: TRANS DPA 6-0-0-3

HB 2899: fuel; electric cars; hybrids; taxes Sponsor: Representative Campbell, LD 1 Caucus & COW

Overview

Adds taxes on motor vehicle fuel, use fuel, natural gas, propane and electric and hybrid vehicles.

History

Pursuant to A.R.S. § 28-5606, a tax of 18 cents per gallon is imposed on motor vehicle fuel possessed, used or consumed in Arizona. Additionally, a tax is imposed on use fuel to partially compensate Arizona for the use of its highways, except that there is no use fuel tax on alternative fuels. For use fuel that is used in the propulsion of a light class motor vehicle on a highway in Arizona, the tax imposed is 18 cents per gallon. For use fuel that is used in the propulsion of a use class motor vehicle on a highway in Arizona, the tax imposed is 26 cents per gallon. Through December 31, 2024, a nine cent per gallon tax is imposed on use fuel used in the propulsion of a motor vehicle transporting forest products in compliance with statutory requirements on a highway in Arizona.

A.R.S. § 28-6501 requires monies collected from the motor vehicle and use fuel tax be deposited in the Highway User Revenues Fund (HURF). After initial distributions, the Arizona Department of Transportation (ADOT) is required to allocate, and the State Treasurer is required to distribute monies in HURF as follows: 1) 50.5% to the State Highway Fund; 2) 19% to counties; 3) 27.5% to incorporated cities and towns; and 4) 3% to incorporated cities with a population of 300,000 or more persons (A.R.S. § 28-6538).

Provisions

Flat Rate on Electric and Hybrid Vehicles

- Imposes an annual tax on electric vehicles that access a street or highway at a flat rate as follows:
 - a) For FY 2021, \$111;
 - b) For FY 2022, \$139;
 - c) For FY 2023, \$166; and
 - d) For FY 2024 and each FY thereafter, \$166 per year as adjusted based on the GDP implicit price deflator of the prior year. (Sec. 3)
- 2. Imposes an annual tax on hybrid vehicles at a flat rate as follows:
 - a) For FY 2021, \$45;
 - b) For FY 2022, \$56;
 - c) For FY 2023, \$67; and
 - d) For FY 2024 and each FY thereafter, \$67 per year as adjusted based on the GDP implicit price deflator of the prior year. (Sec. 3)
- 3. Requires ADOT to study the feasibility of converting from a flat tax rate for electric vehicles to a kilowatt per mile, or egallon, tax rate equivalent. (Sec. 6)
- 4. Requires ADOT, by December 31, 2025, to submit a report on converting the electric vehicle tax rate to the Governor, President of the Senate (President), Speaker of the House of Representatives (Speaker) and Secretary of State (SOS). (Sec. 6)

□ Prop 105 (45 votes) □ Prop 108 (40 votes) □ Emergency (40 votes) □ Fiscal Note	lote
--	------

- 5. Requires ADOT to consult representatives of the electric car industry, a statewide trucking association, an international registration plan, an international fuel tax agreement and other relevant stakeholders in developing the report. (Sec. 6)
- 6. Requires the report to:
 - a) Outline the effectiveness of the flat tax on electric and hybrid vehicles; and
 - b) Include any proposed legislation that may be required to implement the recommendations of ADOT. (Sec. 6)
- 7. States that the imposition of the subsequently outlined per unit tax rates (Provisions 8-14) are not effective until the repeal of the aforementioned flat tax rates on electric and hybrid vehicles (Provisions 1-2). (Sec. 3)

Motor Vehicle and Use Fuel Per Unit

- 8. Imposes an additional motor vehicle fuel tax and use fuel tax for light class motor vehicles at a rate as follows:
 - a) For FY 2021, 24 cents per gallon;
 - b) For FY 2022, 30 cents per gallon;
 - c) For FY 2023, 36 cents per gallon; and
 - d) For FY 2024 and each FY thereafter, 36 cents per gallon as adjusted to reflect the change in the GDP implicit price deflator of the prior year. (Sec. 3)
- 9. Imposes an additional use fuel tax on use class motor vehicles at a rate as follows:
 - a) For FY 2021, 32 cents per gallon;
 - b) For FY 2022, 38 cents per gallon;
 - c) For FY 2023, 44 cents per gallon; and
 - d) For FY 2024 and each FY thereafter, 44 cents per gallon as adjusted to reflect the change in the GDP implicit price deflator of the prior year. (Sec. 3)

Natural Gas Per Unit

- 10. Imposes a tax on natural gas including for light class motor vehicles at a rate as follows:
 - a) For FY 2021, 24 cents per gasoline gallon equivalent (GGE);
 - b) For FY 2022, 30 cents per GGE;
 - c) For FY 2023, 36 cents per GGE; and
 - d) For FY 2024 and each FY thereafter, 36 cents per GGE as adjusted to reflect the change in the GDP implicit price deflator of the prior year. (Sec. 3)
- 11. Imposes a tax on natural gas for use class motor vehicles at a rate as follows:
 - a) For FY 2021, \$32 per diesel gallon equivalent (DGE);
 - b) For FY 2022, \$38 per DGE;
 - c) For FY 2023, \$44 per DGE; and
 - d) For FY 2024 and each FY thereafter, \$44 per DGE as adjusted to reflect the change in the GDP implicit price deflator of the prior year. (Sec. 3)

Propane Per Unit

- 12. Imposes a tax on propane including for light class motor vehicles at a rate as follows:
 - a) For FY 2021, 18 cents per gallon;
 - b) For FY 2022, 23 cents per gallon;
 - c) For FY 2023, 28 cents per gallon; and
 - d) For FY 2024 and each FY thereafter, 28 cents per gallon as adjusted to reflect the change in the GDP implicit price deflator of the prior year. (Sec. 3)
- 13. Imposes a tax on propane for use class motor vehicles at a rate as follows:

- a) For FY 2021, \$22 per gallon;
- b) For FY 2022, \$26 per gallon;
- c) For FY 2023, \$30 per gallon; and
- d) For FY 2024 and each FY thereafter, \$30 per gallon as adjusted to reflect the change in the GDP implicit price deflator of the prior year. (Sec. 3)

Electricity Per Unit

- 14. Imposes a tax on electricity including for light class and use class motor vehicles at a rate as follows:
 - a) For FY 2021 and FY 2022, two cents per kilowatt;
 - b) For FY 2023, three cents per kilowatt; and
 - c) For FY 2024 and each FY thereafter, three cents per kilowatt as adjusted at to reflect the change in the GDP implicit price deflator of the prior year. (Sec. 3)

The Arizona Road Use Account

- 15. Establishes the Arizona Road Use Account (Account) in the HURF administered by ADOT. (Sec. 4-5)
- 16. States that monies in the Account are continuously appropriated and derived from:
 - a) The annual electric and hybrid tax or the imposition of additional per unit fuel taxes; and
 - b) Appropriations from the Legislature. (Sec. 5)
- 17. Requires monies in the Account to be used exclusively for maintaining, preserving and constructing streets, roads and highways and administering such activities. (Sec. 5)
- 18. Prohibits monies in the Account from being used for any law enforcement activities, except enforcement by ADOT of vehicle weight and safety law. (Sec. 5)
- 19. Requires ADOT to monthly release monies in the Account to the HURF for distribution in the same manner as other monies in that fund except monies in the Account:
 - a) Cannot be used for the Economic Strength Project Fund or for highway patrol cost; and
 - b) Must be distributed exclusively to ADOT, counties and cities. (Sec. 5)

Plan and Review of Road Use Fees

- 20. Requires the Board of Transportation, in consultation with the counties, cities and regional transportation planning agencies, to immediately develop a comprehensive plan for the use of anticipated monies in the Account. (Sec. 2)
- 21. Requires the plan to:
 - a) Be updated, periodically but not less frequently than every five years, over the next 20 years; and
 - b) Include specific proposed projects for constructing, preserving and maintaining streets, roads and highways in Arizona to be funded by the Account. (Sec. 2)
- 22. Requires the plan to be submitted the Governor, the President, the Speaker and the SOS. (Sec. 2)
- 23. Requires the President and the Speaker to direct the appropriate standing committees to review the plan and conduct thorough public hearings on the plan. (Sec. 2)
- 24. Allows the standing committees, after review of the plan and public hearings, to recommend the termination of the fees and charges that provide monies to the Account. (Sec. 2)

Retail Dispensing of Natural Gas

- 25. Requires compressed natural gas to be dispensed either in:
 - a) GGE units, initially set at 5.660 pounds unless changed by rule; or
 - b) DGE units, initially set at 6.384 pounds unless changed by rule. (Sec. 1)

- 26. Requires liquefied natural gas to be dispensed in DGE units, initially set at 6.059 pounds unless changed by rules. (Sec. 1)
- 27. States that taxes imposed on compressed and liquified natural gas are presumed to be direct taxes on the consumer or user but must be collected and remitted to ADOT by suppliers for the purpose of convivence and facility only. (Sec. 1)
- 28. States that compressed and liquefied natural gas taxes that a supplier collect and pays to ADOT:
 - a) Are advanced payments;
 - b) Must be added to the priced of the natural gas; and
 - c) Must be recovered from the consumer. (Sec. 1)
- 29. Requires the Department of Agriculture's Weights and Measures Division (Division) to:
 - a) Adopt rules for dispensing natural gas at retail sale for use as a motor vehicle fuel within 180 days of the effective date of this bill; and
 - b) Establish procedures for carrying out all requirements relating to dispensing natural gas at retail sale. (Sec. 1)
- 30. Requires the Division, before any necessary revisions resulting from changes in the energy content of motor fuels, to take into consideration:
 - a) Whether the National Institute of Standards and Technology (NIST) prescribes standards for dispensing natural gas; and
 - b) Whether those standards use different values for GGE and DGE or allow sales in different units. (Sec. 1)
- 31. States that if NIST develops or adopts different standards for GGE and DGE units, the NIST standards must be adopted in Arizona unless good cause is shown otherwise. (Sec. 1)

Miscellaneous

- 32. Contains legislative findings. (Sec. 7)
- 33. Contains a Prop. 108 clause. (Sec. 8)

Amendments

Committee on Transportation

- 1. Specifies that only the tax rate on electricity per kilowatt is conditional on the repeal of the flat tax rate on electric and hybrid vehicles.
- 2. Clarifies that the per unit tax rates on natural gas, propane and electricity apply only if used to propel a motor vehicle.
- 3. Modifies the tax rates imposed on natural gas for use class motor vehicles as follows:
 - a) For FY 2021, 32 cents per DGE;
 - b) For FY 2022, 38 cents per DGE:
 - c) For FY 2023, 44 cents per DGE; and
 - d) For FY 2024 and each FY thereafter, 44 cents per DGE as adjusted to reflect the change in the GDP implicit price deflator of the prior year.
- 4. Modifies the tax rates imposed on propane for use class motor vehicles as follows:
 - a) For FY 2021, 22 cents per gallon;
 - b) For FY 2022, 26 cents per gallon;
 - c) For FY 2023, 30 cents per gallon; and
 - d) For FY 2024 and each FY thereafter, 30 cents per gallon as adjusted to reflect the change in the GDP implicit price deflator of the prior year.



Fifty-fourth Legislature Second Regular Session

House: LAG DP 5-0-0-2-0-0 | APPROP DPA 9-2-0-0-0

HB 2723: county fair racing; council; appropriations
Sponsor: Representative Dunn, LD 13
Caucus & COW

Overview

Establishes the Arizona Quarter Horse Racing Circuit Coordinating Council (Council), the Arizona Quarter Horse Racing Circuit Fund (Fund) and a formula for distributing Fund monies and appropriates \$1,000,000 from the state General Fund to the Fund in FYs 2021-2023.

<u>History</u>

The Arizona Department of Gaming (Department) regulates pari-mutuel horse racing and wagering. Pari-mutuel wagering is a form of wagering on an event outcome in which all wagers are pooled and held by a body for distribution of the total amount, less deductions authorized by law, to holders of tickets on the winning contestants (A.R.S. § 5-101(23)).

The Department has currently three funds which are intended to help county fair racing:

- 1) The Arizona County Fairs Racing Betterment Fund provides monies to county fair association or county fair racing association of each county conducting a county fair racing meeting based on how much the Department deems necessary to promote these meetings. A county fair association must provide annual certification in the Department-required form to support expenditures made from this fund (A.R.S. § 5-113(B)); and
- 2) The County Fair Racing Fund provides monies for administering county fair racing (A.R.S. § 5-113(I)).
- 3) The Rural County Fair Racing Fund, which was created in 2018, provides matching grants to counties with less than 800,000 people that operate county fair racing. A county is not eligible for a grant unless it agrees to contribute revenues for county fair racing that amount to at least 50% of the grant amount. Grants are capped at \$40,000. This fund was appropriated \$200,000 in FY 2019. Monies in this fund are continuously appropriated (Laws 2018, Ch. 318, §11).

The Arizona Racing Commission (Commission), which is located within the Department, reviews and approves permits for horse and harness racing. The Commission requires each horse racing permittee to conduct an average of at least two races for quarter horses for each day of racing. However, the Commission can rescind this requirement if the permittee offers acceptable quarter horse races but an honest effort is not being made to fill these races with horseman (A.R.S. § 5-110(B)).

Provisions

Arizona Quarter Horse Racing Circuit Fund

- 1. Establishes the Arizona Quarter Horse Racing Circuit Fund (Fund) which would be administered by the Department. (Sec. 6)
- 2. Creates the following formula for dispersing Fund monies each fiscal year:
 - a. No more than \$100,000 on a first-come, first-served basis to a county fair racing association of any county that conducts a county fair racing meeting for capital improvements or purses, provided the county or association matches at least 40% from sources other than the State; and

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note	

- b. After making these dispersions, no more than \$100,000 to counties or county fair racing association of any county that conducts a county fair racing meeting for operating expenses, soliciting sponsorships, and complying with audit and other financial compliance requirements. (Sec. 6)
- 3. Allows the Department to distribute more than \$100,000 to the county fair racing association of a county that conducts a county fair racing meeting in FY 2023. (Sec. 9)
- 4. Appropriates \$1,000,000 annually from the state General Fund to the Fund in FYs 2021-2023. (Sec. 8)
- 5. Exempts Fund monies from lapsing until July 1, 2023. (Sec. 6)

Arizona Quarter Horse Racing Circuit Coordinating Council (Sec. 6 and 7)

- 6. Establishes the Arizona Quarter House Racing Circuit Coordinating Council (Council) consisting of one member appointed by each county board of supervisors.
- 7. Directs the Council to:
 - a. Coordinate with each county and county fair racing associations to promote an Arizona quarter horse racing circuit with each participating county fair;
 - b. Develop a coordinating racing schedule at participating county fair racing associations beginning with the 2021 racing season;
 - c. Advise the Department on creating an application process and awarding a single permit for an Arizona quarter horse racing circuit; and
 - d. Advise the Department on allocating Fund monies.
- 8. Repeals the Council on July 1, 2023.

County Racing Meeting

- 9. Requires a county where a county fair association operated a racing meeting to conduct an audit of the racing meeting. (Sec. 1)
- 10. Repeals the requirement that the Director must employ three persons qualified as stewards, and appoint one such person as a chief steward, for each horse or harness racing meeting conducted by a county fair racing association. (Sec. 2)
- 11. Directs the Department to establish an applicant process and award a single permit for an Arizona quarter horse racing circuit. (Sec. 3)
- 12. Removes the exemption for a county fair racing meeting to pay a percentage of the pari-mutuel pool collected at that meeting to the State. (Sec. 4 and 5).

Miscellaneous

13. Makes technical and conforming changes. (Sec. 3 and 5)

Amendments

Committee on Appropriations

- 1. Deletes all provisions of this act, including the appropriation, except for those related to the Arizona Quarter Horse Racing Circuit Coordinating Council.
- 2. Directs this council to:
 - a) Coordinate with each county fair racing association to promote an Arizona quarter horse racing circuit in conjunction with each participating county fair racing association.

- b) Develop coordinated racing schedule among no more than six participating county fair racing associations.
- 3. Repeals this council on July 1, 2023.



Fifty-fourth Legislature Second Regular Session

House: RA DP 7-0-0-0

HB 2836: land surveyors; minimum standards
Sponsor: Representative Rivero, LD 21
Caucus & COW

Overview

Requires registered land surveyors (Surveyors) to observe minimum standards of practice to best represent and disclose locations of corners, boundary lines and monuments.

History

Land surveyor is defined as a person whose knowledge of the mathematical and physical sciences, principles of land surveying and evidence gathering acquired by professional education or practical experience, or both, is qualified to practice land surveying as attested by registration as a land surveyor (A.R.S. § 32-101).

An applicant for professional registration as a land surveyor must: 1) Be of good moral character; 2) Be actively engaged in education or experience, or both, in the profession for which registration is sought for at least six years; and 3) Unless exempt, pass the required in-training and professional examinations (A.R.S. § 32-122.01).

- 1. Requires Surveyors to observe minimum standards of practice prescribed by the State Board of Technical Registration. (Sec. 1)
- 2. States that the minimum standards require Surveyors to represent the locations of corner positions and boundary lines consistent with the best evidence available. (Sec. 1)
- 3. Stipulates that if a Surveyor rejects an existing monument, the Surveyor must create a results-of-survey drawing to disclose the evidence, file the drawing in the Office of the County Recorder, and provide a copy to the client. (Sec. 1)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note



Fifty-fourth Legislature Second Regular Session

HCR2001: English language education; requirements
Sponsor: Representative Fillmore, LD 16
Caucus & COW

Overview

Repeals and modifies, upon voter approval, statutes pertaining to English language learner (ELL) instruction in public schools.

History

Proposition 203 was passed by voters in 2000 and established requirements for ELL instruction in public schools. Currently, statute requires all children, including ELL students, to be taught English through English language instruction in English language classrooms. Additionally, statute requires ELL students to be educated through sheltered English immersion during a temporary transition period not normally intended to exceed one year (A.R.S. § 15-752). Statute allows legal guardians to apply for waivers to transfer their child to classes teaching English and other subjects through bilingual education techniques or other generally recognized educational methodologies. However, these waivers are limited to legal guardians who have: 1) children who already know English; 2) children ten years or older; and 3) children with special individual needs (A.R.S. § 15-753).

In addition to ELL instruction, statute states that the legal guardian of any Arizona public school student has legal standing to sue for enforcement of ELL statutes and that any school board member or other elected official or administrator who willfully and repeatedly refuses to implement and enforce ELL statute may be held personally liable for fees and actual and compensatory damage by a child's legal guardian (A.R.S. § 15-754). Finally, statute mandates that all public students in grades 2-12 be given a standardized, nationally-normed written test of academic subject matter in English at least once a year (A.R.S. § 15-755).

- 1. Repeals, upon voter approval, statute that:
 - a. Requires all children in Arizona public schools be taught English through English language instruction in English language classrooms;
 - b. Allows a child's legal guardian to apply for a waiver to transfer their child to classes teaching English and other subjects through bilingual education techniques or other generally recognized educational methodologies permitted by law;
 - c. States that a child's legal guardian has legal standing to sue for enforcement of ELL statutes;
 - d. States that any school board member or other elected official or administrator who willfully and repeatedly refuses to implement and enforce ELL statutes may be held personally liable for fees and actual and compensatory damage by a child's legal guardian; and
 - e. Mandates that all public students in grades 2-12 be given a standardized, nationally-normed written test of academic subject matter in English at least once a year. (Sec. 1)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note

2.	Ma	andates, upon voter approval, that each public school ensure that ELL students:
	a.	Receive the highest quality of education;
	b.	Master the English language;
	c.	Access high quality, innovative, research-based language programs. (Sec. 2)
3.		ermits, upon voter approval, public schools to establish dual-language immersion programs for both native and nonnative English speakers. (Sec 3)
4.	Re	equires, upon voter approval, public schools to:
	a.	Provide students effective and appropriate instructional methods;
	b.	Establish English language acquisition programs; and
	c.	Solicit community and stakeholder input on these methods and programs. (Sec. 3)
5.		equires Legislative Council to prepare proposed legislation conforming Arizona Revised Statutes to the ovisions of this bill for consideration in the 55th Legislature, 1st Regular Session. (Sec. 4)
6.	Re	equires the Secretary of State to submit this proposition to the voters at the next general election. (Sec. 4)
7.	Ma	akes technical changes. (Sec. 2, 3)
8.	Ma	akes a conforming change. (Sec. 3)
		☐ Prop 105 (45 votes) ☐ Prop 108 (40 votes) ☐ Emergency (40 votes) ☐ Fiscal Note



Fifty-fourth Legislature Second Regular Session

HOUSE: SIA DP 8-0-0-1

HB 2835: international trade office; study committee Sponsor: Representative Rivero, LD 21 Caucus & COW

Overview

Establishes the international trade office study committee to explore the feasibility of establishing trade offices in other countries.

<u>History</u>

<u>Laws 2019, Chapter 263</u> appropriated \$275,000, including \$100,000 in one-time funding, from the state general fund to the Arizona Commerce Authority (ACA) to establish and operate a new trade office in Israel. The sum of \$500,000 was appropriated from the state general fund to the ACA to operate a trade office in Mexico City and to establish and operate new trade offices in Guanajuato and Chihuahua.

- 1. Establishes the International trade office study committee to study the feasibility of establishing trade offices in other countries that would facilitate commercial relationships, growth of tourism and stronger bilateral relationships between the country and this state. (Sec. 1)
- 2. States that the committee must consist of the following:
 - a. Three members of the House of Representatives appointed by the Speaker of the House, one of which will serve as the co-chairperson, and not more than two of whom are members of the same political party.
 - b. Two members of the Senate appointed by the President of the Senate, who are members of different political parties. (Sec. 1)
- 3. Requires the committee to submit a report to the specified recipients on or before December 15, 2020, regarding the committee activities and recommendations. (Sec. 1)
- 4. Repeals the committee on September 30, 2020. (Sec. 1)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note